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FM AMEMBASSY JAKARTA
TO RUEHC/SECSTATE WASHDC IMMEDIATE 1105
INFO RUEHBY/AMEMBASSY CANBERRA PRIORITY 3461
RUEKJCS/SECDEF WASHDC PRIORITY
RHHJJPI/USPACOM HONOLULU HI PRIORITY
RUEHML/USPACOM REP PHILIPPINES MANILA RP PRIORITY
RUEKJCS/JOINT STAFF WASHINGTON DC PRIORITY
RUEHJS/ASSOCIATION OF SOUTHEAST ASIAN NATIONS
RUEHWL/AMEMBASSY WELLINGTON 3382
RUEHKO/AMEMBASSY TOKYO 2903
RUEHUL/AMEMBASSY SEOUL 5282
RUEHBJ/AMEMBASSY BEIJING 5778
RUEHNE/AMEMBASSY NEW DELHI 2554
RUEHLM/AMEMBASSY COLOMBO 1547
RUEHKA/AMEMBASSY DHAKA 1534
RUEAIIA/CIA WASHDC
RHEFDIA/DIA WASHINGTON DC

C O N F I D E N T I A L SECTION 01 OF 02 JAKARTA 002355

SIPDIS

DEPT FOR EAP, T, PM, EAP/MTS, PM/PPA, EAP/MLS
SECDEF FOR USDP/ISA/AP DASD CLAD
USPACOM FOR ADM KEATING
NSC FOR E.PHU

E.O. 12958: DECL: 12/30/2018

TAGS: [PREL](#) [MASS](#) [MARR](#) [ID](#) [AS](#)

SUBJECT: DECOMMISSIONED AUSTRALIAN BELL HELICOPTERS: THE
CASE FOR INDONESIA

Classified By: DCM John A. Heffern, reasons 1.4(b+d).

[11](#). (U) This is an Action Request -- Please see para 9.

[12](#). (C) SUMMARY/RECOMMENDATION: Mission recommends that the
USG support the transfer of decommissioned Australian
Iroquois helicopters--originally sourced from the U.S.--to
Indonesia. The transfer would meet critical Indonesian
disaster-relief and counterterrorism needs, and send a strong
signal of U.S. support in areas that are top priorities for
Indonesia. Mission would use FMF or 1206 funds to upgrade
the helos, enhancing 1206 capabilities at reduced cost.
Competent Indonesian partners could do the upgrades
in-country, thereby making Indonesia a partner in a
trilateral cooperation arrangement rather than merely a
recipient of security assistance. END SUMMARY/RECOMMENDATION.

AUSTRALIAN PROPOSAL

[13](#). (C) The Government of Australia is considering the
transfer of decommissioned Australian Defence Force (ADF)
UH-1H Iroquois helicopters, originally sourced from the
United States, to either Indonesia or the Philippines. The
Australian Embassy in Jakarta recommended transfer of the
helicopters to Indonesia. This Mission strongly supports
transfer to Indonesia. The Australian Embassy in Washington
will seek USG views on the transfer of the aircraft to either
Indonesia or the Philippines.

IDEAL FOR DISASTER RELIEF AND MORE

[14](#). (C) Mission believes that the USG should press for the
helicopters to go to Indonesia. The Bell helicopters are
ideally suited for humanitarian assistance and disaster
relief (HADR), top priorities for Indonesia nationally and
within the ASEAN context, and an area where its capabilities
remain far below what the country needs.

[15](#). (C) The helicopters would also strengthen Indonesia's
counterterrorism capabilities, a second key area where
Indonesia is a key U.S. partner in the region. As such, it

could complement the CT-related assistance provided under Sections 1206 and 1207.

SENDING A POSITIVE SIGNAL TO THE GOI

¶16. (C) Politically, USG support of such a transfer would send a clear signal to Indonesia of the seriousness of the U.S. commitment to help Indonesia rebuild its defense capabilities. It would also provide us with an opportunity to work with Australia--a key regional ally--in pursuit of this goal. In discussions with the Ambassador and senior visiting U.S. defense officials, DefMin Sudarsono has repeatedly emphasized the importance of developing Indonesia's severely degraded air-lift capability and expressly welcomed U.S. assistance in that effort. This potential transfer presents an ideal opportunity to respond to his request.

UPGRADES WITH FMF AND 1206 FUNDING

¶17. (C) Mission proposes to use Foreign Military Financing (FMF) or NDAA Section 1206 funding to modify the helicopters to Huey-II configuration, as has been done in Colombia, Pakistan, and Iraq. The Huey-II upgrade would greatly enhance the aircraft's performance and capability, while lowering operating costs by 30-percent. Acquisition of these helicopters would support Mission's plans for 1206 by giving Indonesia the airframe it needs to receive the more comprehensive Huey II upgrade package with lower operating costs. Mission notes that Australia will not provide support

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or maintenance after the transfer.

¶18. (C) This arrangement would be an excellent example of U.S.-Australia-Indonesia security cooperation. Australia would donate the helicopters, U.S. FMF assistance would purchase Bell Helicopter-sourced Huey-II upgrade kits, and Indonesia would perform the upgrade installation work. Indonesian defense firm PTDI in Bandung (West Java), on behalf of the TNI in late 2007 submitted a request to Bell Helicopter for a Huey-II price quotation. Previously licensed to manufacture Bell 412 helicopters, PTDI already has a proven track record with Bell Helicopter and is fully capable of completing Huey-II installation upgrades to standard. Mission Jakarta would work closely with the Indonesian Armed Forces (TNI) to ensure the upgrades were completed satisfactorily. PTDI has reportedly made a similar request to Russia for MI-2 helicopters.

ACTION REQUEST

¶19. (C) For the reasons cited above, Mission recommends that the USG support the Australian inclination to transfer the Iroquois helicopters to Indonesia. Mission understands that J-4 BG Richardson plans to be in Jakarta in the first week of January. We look forward to discussing this matter with him.

HUME